Principal®

Principal Money Market Income Fund

Annual Report

For The Financial Year Ended 31 December 2025

In alliance with CIMB

PRINCIPAL MONEY MARKET INCOME FUND

ANNUAL REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

CONTENTS **PAGE(S)**

INVESTORS' LETTER i

MANAGER'S REPORT ii - x

Fund Objective and Policy

Performance Data

Market Review

Fund Performance

Portfolio Structure

Market Outlook

Investment Strategy

Soft Commissions and Rebates

Securities Financing Transactions

State Of Affair of The Fund

Circumstances that Materially Affect any Interest of Unit Holders

Cross Trade

Unit Split

STATEMENT BY MANAGER 1

TRUSTEE'S REPORT 2

INDEPENDENT AUDITORS' REPORT 3 - 6

STATEMENT OF COMPREHENSIVE INCOME 7

STATEMENT OF FINANCIAL POSITION 8

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS 9

STATEMENT OF CASH FLOWS 10

NOTES TO THE FINANCIAL STATEMENTS 11 – 31

DIRECTORY 32

APPENDIX 1 33 - 45

INVESTORS' LETTER

Dear Valued Investor,

Greetings from Principal Asset Management Berhad ("Principal Malaysia") and thank you for investing with us!

We are pleased to bring you a copy of the Annual Fund Report of the Principal Money Market Income Fund for the financial year ended 31 December 2025. You may also download this report from our website at www.principal.com.my.

We're honoured to be recognised at the Asia Asset Management Best of the Best Awards 2026 under the Malaysia Country Awards, receiving accolades for Fund Launch of the Year for our Signature Dynamic Income Fund (SDIF) and Best Retail Asset Manager. We're grateful for this recognition and remain committed to delivering quality solutions for our clients and partners.

We remain humbled by the recognition we've earned over the years. Principal Malaysia has been honoured with a collection of awards spanning fund performance, asset management, ESG leadership, and digital innovation. Each reflects our commitment to serving you with integrity and innovation. Learn more: https://www.principal.com.my/en/awards-recognition/my

Digital innovation is central to our strategy, as we use data and technology to develop the right solutions for you. We will continue to advance our digital capabilities to provide easy access to your investment portfolio and enable you to carry out transactions seamlessly. Please continue to check out our website, like our Facebook page (@PrincipalMalaysia), follow us on our Instagram account (@principalmalaysia), and LinkedIn page (Principal Malaysia) for the latest updates, market insights and investment articles.

We appreciate your continuous support and the trust you place in us.

Yours faithfully,
for **Principal Asset Management Berhad**

Munirah Khairuddin
Chief Executive Officer & Head of Principal Asset Management Berhad (Group of Companies),
and Managing Director Strategic Distribution & Institutional Client Relations
(Southeast Asia & Global Shariah)
Non-Independent Executive Director

MANAGER'S REPORT

FUND OBJECTIVE AND POLICY

What is the investment objective of the Fund?
The Fund aims to provide a low-risk investment option that normally earns higher interest than traditional bank accounts.

Has the Fund achieved its objective?
For the financial year under review, the Fund is in line with its stated objective.

What are the Fund investment policy and principal investment strategy?
The Fund may place at least 90% of its Net Asset Value ("NAV") in Deposits as well as invest in money market instruments and short-term debt securities with a minimum credit rating of "BBB3" or "P2" by RAM Ratings ("RAM") or equivalent rating by Malaysian Rating Corporation Berhad ("MARC") or by local rating agency(ies) of the country of issuance or "BBB-" by Standard & Poor's ("S&P") or equivalent rating by any other international rating agencies, all of which have a remaining maturity period of 397 days or less. Up to 10% of the Fund's NAV may be invested in debt securities which have a remaining maturity period of more than 397 days but less than 732 days. The Fund will be actively managed with frequency that will depend on the market conditions and the market outlook. The investment policy and strategy are to invest in liquid and low risk short-term investments for capital preservation. The Fund may invest up to 30% of its NAV in foreign Eligible Markets.

The asset allocation strategy for this Fund is as follows:
- at least 90% of the Fund's NAV in deposits, money market instruments and/or short-term debt securities and;
- up to 10% of the Fund's NAV in debt securities with maturity period of more than 397 days but less than 732 days.

Fund category/type
Money Market/Income

When was the Fund launched?

Name of Class	Launch date
Class AI	18 February 2004
Class AR	Effective date*

With effect from 13 August 2021, the Fund will be split into Class AI and AR where individual unitholders will be designated to Class AR and non-individual unit holders will be designated to Class AI.

* The effective launch date of Class AR will be the date of the Fund is split into Class AI and AR.

What was the size of the Fund as at 31 December 2025?
RM580.54 million (564.43 million units)

What is the Fund's benchmark?
CIMB Bank Overnight Rate

Note: Given that the Fund is an income fund, the Fund shall benchmark itself against the overnight rate for performance comparison purpose only. Therefore, investors are cautioned that the risk profile of the Fund is higher than the benchmark.

What is the Fund distribution policy?
Quarterly, if any, within 14 days after the last day of each quarter.

What was the net income distribution for the financial year ended 31 December 2025?
The Fund distributed a total net income of RM5.82 million to unit holders for the financial year ended 31 December 2025.

FUND OBJECTIVE AND POLICY (CONTINUED)

The Fund's NAV per unit before and after distributions were as follows:

Date	NAV per unit (Before distribution) RM	NAV per unit (After distribution) RM
Distribution on 28 March 2025		
- Class AI	1.0137	1.0122
- Class AR	1.0134	1.0036
Distribution on 30 June 2025		
- Class AI	1.0217	1.0197
- Class AR	1.0130	1.0052
Distribution on 30 September 2025		
- Class AI	1.0287	1.0261
- Class AR	1.0141	1.0068

Breakdown of distribution were as follows:

	31.12.2025		31.12.2024	
	RM	%	RM	%
Source of distribution				
Distribution out of current year's income	5,820,546	100.00	8,429,283	100.00
Distribution out of prior year's income/capital	-	-	-	-
Total	5,820,546	100.00	8,429,283	100.00

PERFORMANCE DATA

Details of portfolio composition of the Fund for the last three financial years were as follows:

	31.12.2025 %	31.12.2024 %	31.12.2023 %
Unquoted fixed income securities	30.55	16.88	65.90
Deposit with licensed financial institutions with maturity more than 3 months	32.52	54.90	23.94
Cash and other assets	36.97	28.27	10.20
Liabilities	(0.04)	(0.05)	(0.04)
	100.00	100.00	100.00

Performance details of the Fund for the last three financial years were as follows:

	31.12.2025	31.12.2024	31.12.2023
NAV (RM Million)*			
- Class AI	415.39	437.94	460.90
- Class AR	165.15	120.91	42.81
Units in circulation (Million)			
- Class AI	401.68	435.69	467.72
- Class AR	162.74	120.31	43.46
NAV per unit (RM)*			
- Class AI	1.0341	1.0051	0.9853
- Class AR	1.0148	1.0049	0.9852

* Ex-distribution

PERFORMANCE DATA (CONTINUED)

Performance details of the Fund for the last three financial years were as follows (continued):

	31.12.2025	31.12.2024	31.12.2023
Highest NAV per unit (RM)			
- Class AI	1.0341	1.0081	0.9914
- Class AR	1.0148	1.0093	0.9913
Lowest NAV per unit (RM)			
- Class AI	1.0052	0.9857	0.9762
- Class AR	1.0042	0.9856	0.9761
Total return (%)			
- Class AI	3.50	3.69	3.78
- Class AR	3.50	3.67	3.79
Capital growth (%)			
- Class AI	2.79	2.01	0.96
- Class AR	0.18	2.00	0.97
Income distribution (%)			
- Class AI	0.70	1.64	2.79
- Class AR	3.31	1.64	2.79
Total Expense Ratio ("TER") ^	0.43	0.42	0.43
Portfolio Turnover Ratio ("PTR") #	0.65	0.61	0.80

^ The Fund's TER for the financial year under review rose from 0.42 times to 0.43 times, due to an increase in expenses.

The Fund's PTR for the financial year under review increased from 0.61 times to 0.65 times compared to the previous year's corresponding period, mainly due to a higher number of transactions.

	31.12.2025	31.12.2024	31.12.2023
Gross/Net distribution per unit (sen)			
Distribution on 28 March 2025			
- Class AI	0.15	-	-
- Class AR	0.98	-	-
Distribution on 30 June 2025			
- Class AI	0.20	-	-
- Class AR	0.78	-	-
Distribution on 30 September 2025			
- Class AI	0.26	-	-
- Class AR	0.73	-	-
Distribution on 29 March 2024			
- Class AI	-	0.50	-
- Class AR	-	0.40	-
Distribution on 28 June 2024			
- Class AI	-	0.45	-
- Class AR	-	0.42	-
Distribution on 30 September 2024			
- Class AI	-	0.38	-
- Class AR	-	0.36	-
Distribution on 31 December 2024			
- Class AI	-	0.30	-
- Class AR	-	0.45	-
- Distribution on 31 March 2023			
- Class AI	-	-	0.64
- Class AR	-	-	0.64

PERFORMANCE DATA (CONTINUED)

	31.12.2025	31.12.2024	31.12.2023
Gross/Net distribution per unit (sen)			
Distribution on 30 June 2023			
- Class AI	-	-	0.69
- Class AR	-	-	0.69
Distribution on 29 September 2023			
- Class AI	-	-	0.74
- Class AR	-	-	0.74
Distribution on 29 December 2023			
- Class AI	-	-	0.63
- Class AR	-	-	0.63

	31.12.2025 %	31.12.2024 %	31.12.2023 %	31.12.2022 %	31.12.2021 %
Annual total return					
- Class AI	3.50	3.69	3.78	2.50	2.34
- Class AR	3.50	3.67	3.79	2.49	2.33

(Launch date: 18 February 2004)

Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up. All performance figures for the financial year have been extracted from Lipper.

MARKET REVIEW (1 JANUARY 2025 TO 31 DECEMBER 2025)

First half of 2025 (“1H2025”) Gross Domestic Product (“GDP”) grew 4.4%, driven by household consumption, investment and the construction sector, demonstrating Malaysia’s resilience amidst global uncertainties, supported by robust domestic demand and structural reforms. This was within revised official projection of 4.0% to 4.8% in 2025, though projections have been revised down from earlier forecast of 4.5% to 5.5% due to tariffs and trade uncertainties.

Bank Negara Malaysia (“BNM”) reduced the Overnight Policy Rate (“OPR”) by 0.25% to 2.75% at its July 2025 Monetary Policy Committee (“MPC”) meeting, the first rate reduction since July 2020. The central bank states that the cut is a pre-emptive measure to maintain a steady economic growth path amid moderate inflation prospects. While BNM cites that growth is expected to be supported by resilient domestic demand and expansion in investment activity, the central bank states that the balance of risks to growth outlook is tilted to the downside stemming from slower global trade, weaker sentiment as well as lower than expected commodity production

From 7 August 2025, United States (“US”) reduced tariffs on Malaysian exports to 19% (from 25%) in exchange for Malaysia removing import duties on ~98% of US goods. Nonetheless, lower US tariffs will still increase export costs for Malaysian businesses, particularly electronics, semiconductors, and palm oil. ASEAN peers face similar tariffs.

The targeted RON95 petrol subsidy was rolled out for all eligible Malaysians on 30 September 2025, providing a quota of 300 liters of petrol at lower subsidized price of RM1.99 per liter versus the earlier price of RM2.05 per liter, with exception for certain eligible drivers/commercial vehicles. The targeted subsidy rollout is expected to save the Government between RM2.5 billion to RM4 billion per annum, (equivalent to 0.1%-0.2% of GDP), while being disinflationary in nature given the generous quota provided.

Malaysia's Prime Minister and Finance Minister YAB Dato' Seri Anwar bin Ibrahim tabled Budget 2026 on 10 October 2025, which is the first under the 13th Malaysia Plan and the fourth instalment of the MADANI budgets. Themed "The People's Budget", it demonstrates the Government's commitment towards supporting the Rakyat while pursuing broad-based reforms under MADANI economic framework and maintaining fiscal discipline.

MARKET REVIEW (1 JANUARY 2025 TO 31 DECEMBER 2025) (CONTINUED)

Overall, Budget 2026 further builds on the momentum of the New Industrial Master Plan ("NIMP") 2030 and the New Investment Incentive Framework ("NIIF"), with targeted support in strategic areas such as semiconductors, artificial intelligence ("AI"), the digital economy and energy transition.

A total of RM470 billion will be allocated for public spending compared to RM452 billion in the previous budget, which is a record figure that is supplemented by RM50 billion investments from several Government-linked institutions. At the federal level, the Government intends to fund RM338 billion in operating expenditure and RM81 billion in development spending through higher tax receipts, subsidy savings and additional debt. As part of the Government's commitment to reduce reliance on commodity-based revenue, share of petroleum-related taxes will make up merely 12.5% of revenues in 2026 versus 17% in 2025, with dividends from Petronas lowered from RM32 billion to RM20 billon.

World Bank lifts Malaysia's GDP projection to 4.1% from 3.9% for 2025 following better-than-expected external demand and sustained strength in domestic demand. But the institution anticipates a 4.1% GDP growth in 2026, with expectations for export growth to slow following the frontloading activities this year, while domestic demand is also expected to moderate.

FUND PERFORMANCE

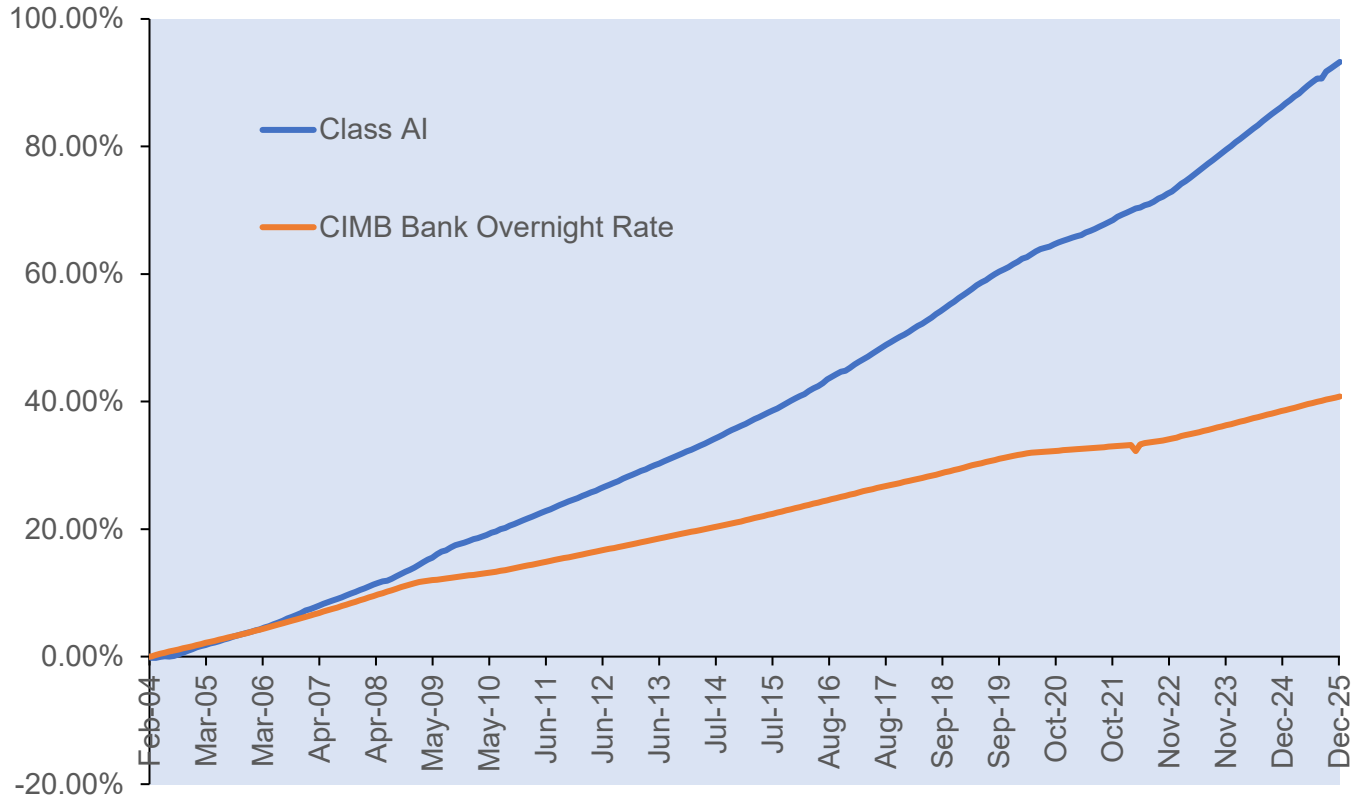
	1 year to 31.12.2025 %	3 years to 31.12.2025 %	5 years to 31.12.2025 %	Since inception to 31.12.2025 %
Income Distribution				
- Class AI	0.70	5.20	10.37	87.07
- Class AR	3.31	7.93	13.24	91.92
Capital Growth				
- Class AI	2.79	5.86	5.84	3.31
- Class AR	0.18	3.18	3.13	3.18
Total Return				
- Class AI	3.50	11.37	16.82	93.26
- Class AR	3.50	11.36	16.79	98.02
Benchmark				
- Class AI	1.53	4.74	6.16	40.79
- Class AR	1.53	4.74	6.16	40.79
Average Total Return				
- Class AI	3.50	3.65	3.16	3.06
- Class AR	3.50	3.65	3.15	3.17

As at 31 December 2025, the total return for Class AI on a 1 year, 3 years, and 5 years basis stood at 3.50%, 11.37% and 16.82% respectively. While for Class AR, the total return on a 1 year, 3 years, and 5 years basis stood at 3.50%, 11.36% and 16.79% respectively. Both classes outperformed the benchmark in the respective year. Since inception, the Fund's Class AI and AR achieved a total return of 93.26% and 98.02% respectively, also outperforming the benchmark returns.

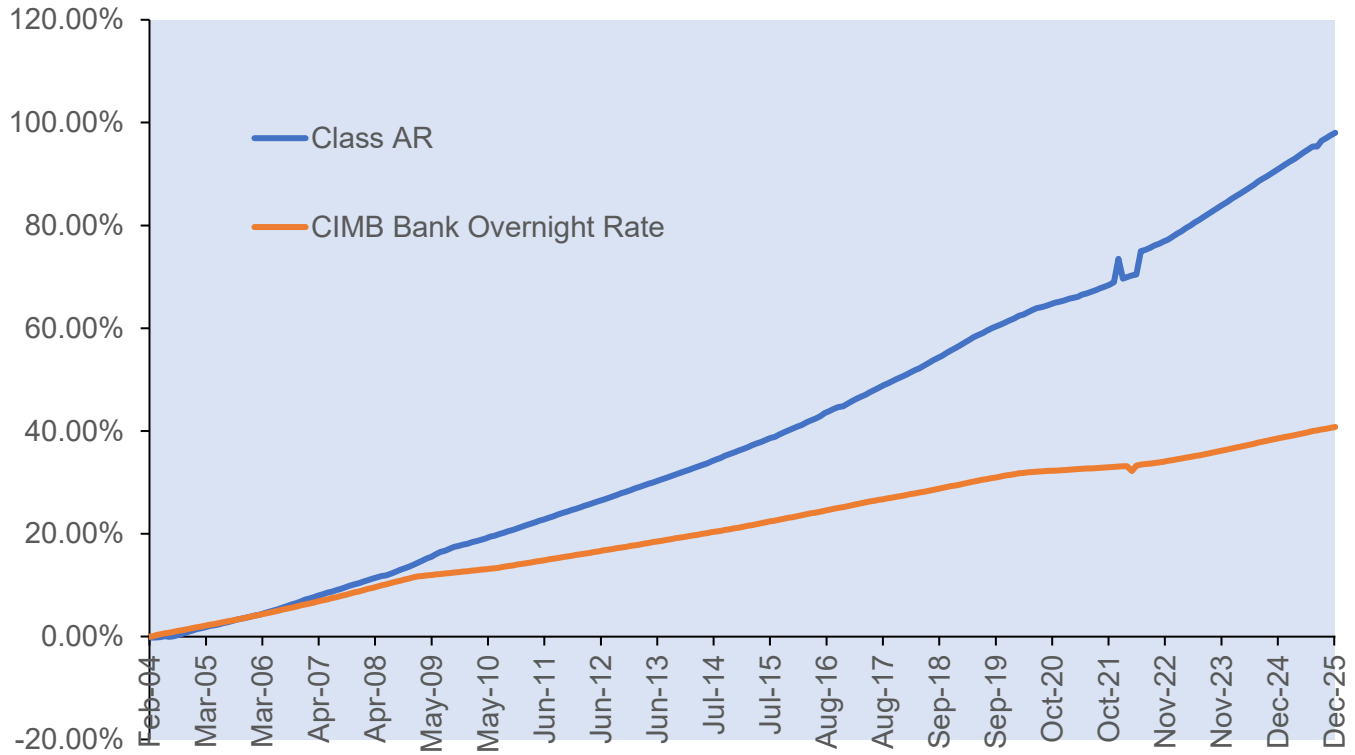
FUND PERFORMANCE (CONTINUED)

Since inception

Class AI



Class AR



FUND PERFORMANCE (CONTINUED)

Changes in NAV

	31.12.2025	31.12.2024	Changes %
CLASS AI			
NAV (RM Million)	415.39	437.94	(5.15)
NAV/Unit (RM)	1.0341	1.0051	2.89
CLASS AR			
NAV (RM Million)	165.15	120.91	36.59
NAV/Unit (RM)	1.0148	1.0049	0.99

The Fund's NAV for class AI as at 31 December 2025 decreased by 5.15% to RM415.39 million from RM437.94 million as at 31 December 2024. Meanwhile, the NAV per unit increased by 2.89% from RM1.0051 per unit to RM1.0341 per unit.

While for class AR, the Fund's NAV as at 31 December 2025 increased by 36.59% to RM165.15 million from RM120.91 million as at 31 December 2024. Meanwhile, the NAV per unit increased by 0.99% from RM1.0049 per unit to RM1.0148 per unit.

Performance data represents the combined income and capital return as a result of holding units in the Fund for the specified length of time, based on NAV to NAV price. The performance data assumes that all earnings from the Fund are reinvested and are net of management and trustee fees. Past performance is not reflective of future performance and income distributions are not guaranteed. Unit prices and income distributions, if any, may fall and rise. All performance figures for the financial year have been extracted from Lipper.

PORTFOLIO STRUCTURE

Asset allocation

(% of NAV)	31.12.2025	31.12.2024
Unquoted fixed income securities	30.55	16.88
Deposit with licensed financial institutions with maturity more than 3 months	32.52	54.90
Cash and other assets	36.97	28.27
Liabilities	(0.04)	(0.05)
TOTAL	**100.00**	**100.00**

As at 31 December 2025, the Fund invested 30.55% in unquoted fixed income securities, with the remaining 69.45% in deposit, cash and other net assets (net of liabilities).

MARKET OUTLOOK*

Malaysia's economy is projected to grow at a steady ~4% to 4.5% in 2026, supported by resilient consumption, investment and exports, while headline inflation is expected to average between about 1.3% and 2.0% in 2026, according to Bank Negara Malaysia ("BNM") projections and Ministry of Finance ("MOF") forecasts.

BNM is expected to keep the OPR unchanged at 2.75% through most of 2026 amid stable domestic growth and inflation, while global central banks such move toward easing, narrowing yield differentials and enhancing the carry appeal of Malaysia Ringgit ("MYR/RM") bonds.

MARKET OUTLOOK* (CONTINUED)

* This market outlook does not constitute an offer, invitation, commitment, advice, or recommendation to make a purchase of any investment. The information given in this article represents the views of Principal Asset Management Berhad ("Principal Malaysia") or based on data obtained from sources believed to be reliable by Principal Malaysia. Whilst every care has been taken in preparing this, Principal Malaysia makes no guarantee, representation or warranty and is under no circumstances liable for any loss or damage caused by reliance on, any opinion, advice or statement made in this market outlook.

INVESTMENT STRATEGY

We are looking to increase allocation on quality short term fixed income securities as well as commercial papers issued by corporates with strong fundamentals.

SOFT COMMISSIONS AND REBATES

Principal Malaysia (the "Manager") and the Trustee will not retain any form of rebate from, or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the investments of the Principal Malaysia Funds ("Funds"). Accordingly, any rebate or shared commission will be directed to the account of the Fund. We may retain goods and services (soft commission) provided by any broker or dealer if the following conditions are met:

(a) the soft commission brings direct benefit or advantage to the management of the Fund and may include research and advisory related services;
(b) any dealings with the broker or dealer is executed on terms which are the most favourable for the Fund; and
(c) the availability of soft commission is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and the Manager or the will not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commission.

During the financial year review, the Manager and Trustee did not receive any rebates from the brokers or dealers but the Manager has retained soft commission in the form of goods and services for the benefit of the fund such as financial wire services and stock quotations system incidental to investment management of the Funds and there was no churning of trades.

SECURITIES FINANCING TRANSACTIONS

The Fund has not undertaken any securities lending or repurchase transactions during the financial year under review.

STATE OF AFFAIR OF THE FUND

The Fund had issued the Second Supplemental Master Prospectus dated 28 July 2025 and Combined Supplemental Prospectus dated 24 December 2025.

There were no significant changes in the state of affairs of the Fund during the financial year and up to the date of Manager's report, not otherwise disclosed in the financial statements.

CIRCUMSTANCES THAT MATERIALLY AFFECT ANY INTEREST OF UNIT HOLDERS

There were no circumstances that had materially affected the interest of the unit holders during the financial year under review.

CROSS TRADE

No cross-trade transactions have been caried out during the financial year.

UNIT SPLIT

No unit split exercise has been carried out during the financial year.

STATEMENT BY MANAGER TO THE UNIT HOLDERS OF PRINCIPAL MONEY MARKET INCOME FUND

I, being a Director of Principal Asset Management Berhad (the "Manager"), do hereby state that, in the opinion of the Manager, the accompanying audited financial statements set out on pages 7 to 31 drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 31 December 2025 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial year then ended in accordance with MFRS Accounting Standards and IFRS Accounting Standards.

For and on behalf of the Manager
Principal Asset Management Berhad (Company No.: 199401018399 (304078-K))

Munirah Khairuddin
Chief Executive Officer & Head of Principal Asset Management Berhad (Group of Companies), and Managing Director Strategic Distribution & Institutional Client Relations (Southeast Asia & Global Shariah)
Non-Independent Executive Director

Kuala Lumpur
13 February 2026

TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF
PRINCIPAL MONEY MARKET INCOME FUND ("Fund")

We have acted as Trustee of the Fund for the financial year ended 31 December 2025 and we hereby confirm to the best of our knowledge, after having made all reasonable enquires, Principal Asset Management Berhad has operated and managed the Fund during the year covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the Management Company under the Deeds, securities laws and the Guidelines on Unit Trust Funds;

2. Valuation and pricing is carried out in accordance with the Deeds; and

3. Any creation and cancellation of units are carried out in accordance with the Deeds and any regulatory requirement.

We are of the opinion that the distributions of income by the Fund are appropriate and reflects the investment objective of the Fund.

For HSBC (Malaysia) Trustee Berhad

Lee Cincee
Senior Manager, Trustee and Fiduciary Services

Kuala Lumpur
13 February 2026

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF PRINCIPAL MONEY MARKET INCOME FUND

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Principal Money Market Income Fund (the "Fund"), which comprise the statement of financial position of the Fund as at 31 December 2025, and statement of comprehensive income, statement of changes in net assets attributable to unit holders and statement of cash flows of the Fund for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 7 to 31.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2025, and of its financial performance and cash flows for the financial year then ended in accordance with MFRS Accounting Standards and IFRS Accounting Standards.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF PRINCIPAL MONEY MARKET INCOME FUND (CONT'D.)

Information other than the financial statements and auditors' report thereon

The Manager of the Fund (the "Manager") is responsible for the other information. The other information comprises the information included in the annual report of the Fund but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager and the Trustee for the financial statements

The Manager is responsible for the preparation of financial statements of the Fund that give a true and fair view in accordance with MFRS Accounting Standards and IFRS Accounting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

The Trustee is responsible for overseeing the Fund's financial reporting process. The Trustee is also responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF PRINCIPAL MONEY MARKET INCOME FUND (CONT'D.)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue, an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF PRINCIPAL MONEY MARKET INCOME FUND (CONT'D.)

Other matters

This report is made solely to the unit holders of the Fund, as a body, in accordance with the Guidelines on Unit Trust Funds issued by the Securities Commission Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Yeo Beng Yean
No. 03013/10/2026 J
Chartered Accountant

Kuala Lumpur, Malaysia
13 February 2026

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	2025 RM	2024 RM
INCOME			
Interest income from unquoted fixed income securities at fair value through profit or loss		6,812,279	11,443,810
Interest income from deposits with licensed financial institutions and bank balance		14,018,127	10,127,337
Net gain on financial assets at fair value through profit or loss	**8**	175,380	201,246
		21,005,786	21,772,393
EXPENSES			
Management fee	**4**	2,181,308	2,165,909
Trustee fee	**5**	81,799	81,221
Audit fee		7,600	9,500
Tax agent's fee		7,400	4,500
Other expenses		40,401	7,573
		2,318,508	2,268,703
PROFIT BEFORE DISTRIBUTION AND TAXATION		18,687,278	19,503,690
Distribution:			
- Class AI		2,057,598	7,440,579
- Class AR		3,762,948	988,704
	6	5,820,546	8,429,283
PROFIT BEFORE TAXATION		12,866,732	11,074,407
Taxation	**7**	-	-
PROFIT AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		12,866,732	11,074,407
Profit after taxation is made up as follows:			
Realised amount		12,944,516	10,298,654
Unrealised amount		(77,784)	775,753
		12,866,732	11,074,407

The accompanying notes to the financial statements form an integral part of the audited financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Note	2025 RM	2024 RM
ASSETS			
Cash and cash equivalents	**9**	71,116,954	107,705,734
Deposits with licensed financial institutions with maturity more than 3 months		331,448,588	306,797,183
Financial assets at fair value through profit or loss	**8**	177,352,727	94,362,632
Amount due from Manager		868,815	50,274,616
Other receivable		13,692	-
		580,800,776	559,140,165
LIABILITIES			
Amount due to Manager		11,760	88,527
Accrued management fee		206,802	167,222
Amount due to Trustee		7,755	6,271
Distribution payable		-	9,792
Other payables and accruals		32,175	22,600
TOTAL LIABILITIES		258,492	294,412
NET ASSET VALUE OF THE FUND		580,542,284	558,845,753
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		580,542,284	558,845,753
REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNITS (RM)			
- Class AI		415,391,628	437,939,996
- Class AR		165,150,656	120,905,757
		580,542,284	558,845,753
NUMBER OF UNITS IN CIRCULATION (UNITS)			
- Class AI		401,681,314	435,684,930
- Class AR		162,744,345	120,311,766
	10	564,425,659	555,996,696
NET ASSET VALUE PER UNIT (RM)			
- Class AI		1.0341	1.0051
- Class AR		1.0148	1.0049

The accompanying notes to the financial statements form an integral part of the audited financial statements.

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	2025 RM	2024 RM
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR	558,845,753	503,711,686
Movement in unit holders' contributions:		
Creation of units from applications		
- Class AI	436,989,931	928,829,215
- Class AR	309,632,893	124,101,822
	746,622,824	1,052,931,037
Creation of units from distributions		
- Class AI	2,057,066	7,438,107
- Class AR	2,480,531	978,898
	4,537,597	8,417,005
Cancellation of units		
- Class AI	(472,570,045)	(969,703,642)
- Class AR	(269,760,577)	(47,584,740)
	(742,330,622)	(1,017,288,382)
Total comprehensive income for the financial year	12,866,732	11,074,407
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL YEAR	580,542,284	558,845,753

The accompanying notes to the financial statements form an integral part of the audited financial statements.

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	2025 RM	2024 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from disposal of unquoted fixed income securities		222,964,957	321,442,079
Proceeds from redemption of unquoted fixed income securities		185,220,000	265,772,722
Purchase of unquoted fixed income securities		(491,421,288)	(349,959,930)
Placement of deposits with licensed financial institutions with maturity more than 3 months		(24,651,404)	(306,797,183)
Interest income received from deposits with licensed financial institutions and current account		13,989,272	10,127,337
Interest income received from unquoted fixed income securities		7,262,749	11,987,462
Management fee paid		(2,141,728)	(2,172,356)
Trustee fee paid		(80,315)	(81,463)
Payments for other fees and expenses		(59,518)	(15,573)
Net cash used in operating activities		(88,917,275)	(49,696,905)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from units created		796,028,625	1,002,804,864
Payments for cancellation of units		(742,407,389)	(1,017,199,855)
Distribution paid		(1,292,741)	(3,591)
Net cash generated from/(used in) financing activities		52,328,495	(14,398,582)
Net decrease in cash and cash equivalents		(36,588,780)	(64,095,487)
Cash and cash equivalents at the beginning of the financial year		107,705,734	171,801,221
Cash and cash equivalents at the end of the financial year	**9**	71,116,954	107,705,734
Cash and cash equivalents comprised:			
Bank balance		35,934,981	47,184,241
Deposits with licensed financial institutions		35,181,973	60,521,493
Cash and cash equivalents at the end of the financial year	**9**	71,116,954	107,705,734

The accompanying notes to the financial statements form an integral part of the audited financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITIES

Principal Money Market Income Fund (the "Fund") is governed by a Principal Master Deed dated 15 May 2008, a Fifth Supplemental Master Deed dated 16 July 2009, a Thirteenth Supplemental Master Prospectus dated 26 June 2012, an Eighteenth Supplemental Master Deed dated 25 March 2015, a Twentieth Supplemental Master Deed dated 21 October 2019 , a Twenty Second Supplemental Master Deed dated 7 May 2021, Twenty Third Supplemental Master Deed dated 27 June 2022 and a Twenty Fourth Supplemental Master Deed dated 13 January 2023 (collectively referred to as the "Deeds") between Principal Asset Management Berhad (the "Manager") and Maybank Trustees Berhad (the "Previous Trustee"), a Twenty Fifth Supplemental Master Deed dated 26 May 2023 and a Twenty Sixth Supplemental Master Deed dated 25 March 2025 (collectively referred to as the "Deeds") between the Manager and HSBC (Malaysia) Trustee Berhad (the "Trustee").

The Fund may place at least 90% of its Net Asset Value ("NAV") in deposits as well as invest in money market instruments and short-term debt securities with a minimum credit rating of "BBB3"or "P2" by RAM Ratings ("RAM") or equivalent rating by Malaysian Rating Corporation Berhad ("MARC") or by local rating agency(ies) of the country of issuance or "BBB-" by Standard &Poor's ("S&P") or equivalent rating by any other international rating agencies, all of which have a remaining maturity period of 397 days or less. Up to 10% of the Fund's NAV may be invested in debt securities which have a remaining maturity period of more than 397 days but less than 732 days. The Fund will be actively managed with frequency that will depend on the market conditions and the market outlook. The investment policy and strategy are to invest in liquid and low risk short-term investments for capital preservation. The Fund may invest up to 30% of its NAV in foreign Eligible Markets.

The asset allocation strategy for this Fund is as follows:

- at least 90% of the Fund's NAV in deposits, money market instruments and/or short-term debentures and;
- up to 10% of the Fund's NAV in short-term debentures with maturity period of more than 397 days but less than 732 days.

All investments are subjected to the Securities Commission Malaysia ("SC") Guidelines on Unit Trust Funds, SC requirements, the Deeds, except where exemptions or variations have been approved by the SC, internal policies and procedures and the Fund's objective.

The Fund had issued the Second Supplemental Master Prospectus dated 28 July 2025 and Combined Supplemental Prospectus dated 24 December 2025.

The Manager, is a joint venture between Principal Financial Group®, a member of the FORTUNE 500® and a Nasdaq-listed global financial services and CIMB Group Holdings Berhad, one of Southeast Asia's leading universal banking groups. The principal activities of the Manager are the establishment and management of unit trust funds and fund management activities.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements:

(a) Basis of preparation

The financial statements have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MASB") and IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(a) Basis of preparation (continued)

The financial statements have been prepared under the historical cost convention, as modified by financial assets at fair value through profit or loss.The preparation of financial statements in conformity with MFRS Accounting Standards and IFRS Accounting Standards requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported year.

It also requires the Manager to exercise their judgement in the process of applying the Fund's accounting policies. Although these estimates and assumptions are based on the Manager's best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(j).

There are no other standards, amendments to standards or interpretations that are effective for financial year beginning on 1 January 2025 that have a material effect on the financial statements of the Fund.

Other than MFRS 18: Presentation and Disclosure in Financial Statements (which will first become applicable for annual periods beginning on or after 1 January 2027), none of the standards, amendments to standards or interpretations that are effective for the financial year beginning on or after 1 January 2026 are applicable to the financial statements of the Fund. The Fund is still currently in the process of assessing the impact, if any, of MFRS 18: Presentation and Disclosure in Financial Statements.

(b) Financial assets and financial liabilities

Classification

The Fund classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those to be measured at amortised cost.

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income ("OCI").

The contractual cash flows of the Fund's debt securities are solely principal and interest. However, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents, deposits with licensed financial institutions with maturity more than 3 months and amount due from Manager as financial assets at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(b) Financial assets and financial liabilities (continued)

Classification (continued)

All of the Fund's financial liabilities are measured at amortised cost.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Fund commits to purchase or sell the asset. Investments are initially recognised at fair value.

Financial instruments are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

Financial liabilities are derecognised when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired.

Unrealised gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss are presented in the statement of comprehensive income within net gain or loss on financial assets at fair value through profit or loss in the financial year which they arise.

Unquoted fixed income securities denominated in Malaysian Ringgit ("MYR/RM") are revalued on a daily basis based on fair value prices quoted by a Bond Pricing Agency ("BPA") registered with the SC as per the GUTF. Refer to Note 2(j) for further explanation.

Deposits with licensed financial institutions are stated at cost plus accrued interest calculated on the effective interest method over the period from the date of placement to the date of maturity of the respective deposits.

Financial assets at amortised cost and other financial liabilities are subsequently carried at amortised cost using the effective interest method.

Impairment for assets carried at amortised costs

The Fund measures credit risk and expected credit loss ("ECL") using probability of default, exposure at default and loss given default. The Manager consider both historical analysis and forward looking information in determining any ECL. The Manager consider the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month ECL as any such impairment would be wholly insignificant to the Fund.

Significant increase in credit risk

A significant increase in credit risk is defined by the Manager as any contractual payment which is more than 30 days past due.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(b) Financial assets and financial liabilities (continued)

Definition of default and credit-impaired financial assets

Any contractual payment which is more than 90 days past due is considered credit impaired.

Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Fund may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains. There are no write-offs/recoveries during the financial year.

(c) Income recognition

Interest income from deposits with licensed financial institutions and unquoted fixed income securities are recognised on a time proportionate basis using the effective interest method on an accrual basis.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Realised gain or loss on disposal of unquoted fixed income securities is accounted for as the difference between the net disposal proceeds and the carrying amount of investments, determined on cost adjusted for accretion of discount or amortisation of premium.

(d) Functional and presentation currency

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the "functional currency"). The financial statements are presented in MYR, which is the Fund's functional and presentation currency.

(e) Cash and cash equivalents

For the purpose of statement of cash flows, cash and cash equivalents comprise bank balances and deposits with licensed financial institutions with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(f) Taxation

Current tax expense is determined according to Malaysian tax laws at the current rate based upon the taxable profit earned during the financial year.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(g) Distribution

Distributions to unit holders are recognised in the statement of comprehensive income as the unit holders' contribution are classified as financial liability. A proposed distributions are recognised as a liability in the financial year in which it is approved by the Trustee.

(h) Unit holders' contributions

The unit holders' contributions to the Fund meet the definition of puttable instruments classified as financial liability under MFRS 132 "Financial Instruments: Presentation".

The Fund issues cancellable units, in two classes of units, known respectively as the Class AI and Class AR which are cancelled at the unit holder's option and do not have identical features subject to restrictions as stipulated in the Prospectus and GUTF. The units are classified as financial liabilities. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's NAV of respective classes. The outstanding units are carried at the redemption amount that is payable at the date of the statement of financial position if the member exercises the right to put back the unit to the Fund.

Units are created and cancelled at the unit holders' option at prices based on the Fund's NAV per unit of respective classes at the close of business on the relevant dealing day. The Fund's NAV per unit of respective classes is calculated by dividing the net assets attributable to members of respective classes with the total number of outstanding units of respective classes.

(i) Realised and unrealised portions of profit or loss after tax

The analysis of realised and unrealised portions of increase/decrease in net assets attributable to unit holders as presented on the statement of comprehensive income is prepared in accordance with GUTF.

(j) Critical accounting estimates and judgements in applying accounting policies

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

Estimates and judgements are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Estimate of fair value of unquoted fixed income securities

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the GUTF.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(j) Critical accounting estimates and judgements in applying accounting policies (continued)

Estimate of fair value of unquoted fixed income securities (continued)

MYR/RM-denominated unquoted fixed income securities are valued using fair value prices quoted by a BPA. Where the Manager is of the view that the price quoted by BPA for a specific unquoted fixed income securities differs from the market price by more than 20 bps, the Manager may use market price, provided that the Manager records its basis for using a non-BPA price, obtains necessary internal approvals to use the non-BPA price, and keeps an audit trail of all decisions and basis for adopting the use of non-BPA price.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments of the Fund are as follows:

	Financial assets at fair value through profit or loss RM	Financial assets at amortised cost RM	Total RM
2025			
Cash and cash equivalents (Note 9)	-	71,116,954	71,116,954
Deposits with licensed financial institutions with maturity more than 3 months	-	331,448,588	331,448,588
Unquoted fixed income securities (Note 8)	177,352,727	-	177,352,727
Amount due from Manager	-	868,815	868,815
Other receivable	-	13,692	13,692
	177,352,727	403,448,049	580,800,776
2024			
Cash and cash equivalents (Note 9)	-	107,705,734	107,705,734
Deposits with licensed financial institutions with maturity more than 3 months	-	306,797,183	306,797,183
Unquoted fixed income securities (Note 8)	94,362,632	-	94,362,632
Amount due from Manager	-	50,274,616	50,274,616
	94,362,632	464,777,533	559,140,165

All current liabilities are financial liabilities which are carried at amortised cost.

The Fund aims to provide a low risk investment option that normally earns higher interest than traditional bank accounts.

The Fund is exposed to a variety of risks which include market risk (inclusive of price risk and interest rate risk), credit risk and liquidity risk.

Financial risk management is carried out through internal control process adopted by the Manager and adherence to the investment restrictions as stipulated in the Deeds and GUTF.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Market risk

(i) Price risk

This is the risk that the fair value of an investment in unquoted fixed income securities will fluctuate because of changes in market prices (other than those arising from interest rate risk). The value of unquoted fixed income securities may fluctuate according to the activities of individual companies, sector and overall political and economic conditions. Such fluctuation may cause the Fund's NAV and prices of units to fall as well as rise, and income produced by the Fund may also fluctuate.

The price risk is managed through diversification and selection of unquoted fixed income securities and other financial instruments within specified limits according to the Deeds.

The Fund is exposed to price risk arising from interest rate fluctuation in relation to its investments of RM177,352,727 (2024: RM94,362,632) in unquoted fixed income securities. The Fund's exposure to price risk arising from interest rate fluctuation and the related sensitivity analysis are disclosed in "interest rate risk" below.

(ii) Interest rate risk

In general, when interest rates rise, unquoted fixed income securities prices will tend to fall and vice versa. Therefore, the NAV of the Fund may also tend to fall when interest rates rise or are expected to rise. However, investors should be aware that should the Fund holds an unquoted fixed income securities till maturity, such price fluctuations would dissipate as it approaches maturity, and thus the growth of the NAV shall not be affected at maturity.

In order to mitigate interest rates exposure of the Fund, the Manager will manage the duration of the portfolio via shorter or longer tenured assets depending on the view of the future interest rate trend of the Manager, which is based on its continuous fundamental research and analysis.

Investors should note that movement in prices of unquoted fixed income securities and money market instruments are benchmarked against interest rates. As such, the investments are exposed to the movement of the interest rates.

This risk is crucial since unquoted fixed income securities portfolio management depends on forecasting interest rate movements. Prices of unquoted fixed income securities move inversely to interest rate movements, therefore as interest rates rise, the prices of unquoted fixed income securities decrease and vice versa. Furthermore, unquoted fixed income securities with longer maturity and lower yield coupon rates are more susceptible to interest rate movements.

Such investments may be subject to unanticipated rise in interest rates which may impair the ability of the issuers to meet obligation under the instrument, especially if the issuers are highly leveraged. An increase in interest rates may therefore increase the potential for default by an issuer.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

The table below summarises the sensitivity of the Fund's profit or loss and NAV to movements in prices of unquoted fixed income securities held by the Fund as a result of movement in interest rate. The analysis is based on the assumptions that the interest rate change by 1% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the interest rate, having regard to the historical volatility of the interest rate.

% Change in interest rate	Impact on profit or loss/NAV	
	2025	2024
	RM	RM
+1%	(43,303)	(8,913)
-1%	43,335	8,916

The Fund's exposure to interest rate risk associated with deposits with licensed financial institutions is expected to be minimal as the deposits are held on short-term basis.

(b) Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the Fund.

Investment in unquoted fixed income securities may involve a certain degree of credit/default risk with regards to the issuers. Generally, credit risk or default risk is the risk of loss due to the issuer's non-payment or untimely payment of the investment amount as well as the returns on investment. This will cause a decline in value of the defaulted unquoted fixed income securities and subsequently depress the NAV of the Fund. Usually credit risk is more apparent for an investment with a longer tenure, i.e. the longer the duration, the higher the credit risk.

Credit risk can be managed by performing continuous fundamental credit research and analysis to ascertain the creditworthiness of its issuer. In addition, the Manager imposes a minimum rating requirement as rated by either local and/or foreign rating agencies and manages the duration of the investment in accordance with the objective of the Fund. For this Fund, the unquoted fixed income securities must satisfy a minimum rating requirement of at least "BBB3" or "P2" rating by RAM or equivalent rating by MARC or by local rating agency(ies) of the country of issuance or "BBB-" by S&P or equivalent rating by any other international rating agencies.

The credit risk arising from placements of deposits in licensed financial institutions is managed by ensuring that the Fund will only place deposits in reputable licensed financial institutions.

For amount due from Manager, the settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the GUTF.

The following table sets out the credit risk concentration of the Fund at the end of each financial year:

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk (continued)

	Cash and cash equivalents RM	Deposits with licensed financial institutions with maturity more than 3 months RM	Financial assets at fair value through profit or loss RM	Amount due from Manager RM	Other receivable RM	Total RM
2025						
- AAA	71,116,954	331,448,588	5,175,853	-	-	407,741,395
- AA3	-	-	10,171,977	-	-	10,171,977
- AA2	-	-	26,262,209	-	-	26,262,209
- AA1	-	-	52,456,337	-	-	52,456,337
- AA	-	-	63,750,542	-	-	63,750,542
- A1	-	-	3,032,144	-	-	3,032,144
- Not Rated	-	-	16,503,665	868,815	13,692	17,386,172
Total	71,116,954	331,448,588	177,352,727	868,815	13,692	580,800,776
2024						
- AAA	107,705,733	306,797,184	18,462,809	-	-	432,965,726
- AA1	-	-	35,653,038	-	-	35,653,038
- MA	-	-	7,913,760	-	-	7,913,760
- P1	-	-	32,333,025	-	-	32,333,025
- Not Rated	-	-	-	50,274,616	-	50,274,616
Total	107,705,733	306,797,184	94,362,632	50,274,616	-	559,140,165

(c) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations.

The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of the units by unit holders. Liquid assets comprise bank balance and deposits with licensed financial institutions, which are capable of being converted into cash within 7 business days. Generally, all investments are subject to a certain degree of liquidity risk depending on the nature of the investment instruments, market, sector and other factors. For the purpose of the Fund, the Manager will attempt to balance the entire portfolio by investing in a mix of assets with satisfactory trading volume and those that occasionally could encounter poor liquidity. This is expected to reduce the risks for the entire portfolio without limiting the Fund's growth potentials.

The table below summarises the Fund's financial liabilities into relevant maturity groupings based on the remaining period as at the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Liquidity risk (continued)

	Less than 1 month RM	Between 1 month to 1 year RM	Total RM
2025			
Amount due to Manager	11,760	-	11,760
Accrued management fees	206,802	-	206,802
Amount due to Trustee	7,755	-	7,755
Other payables and accruals	-	32,175	32,175
Net asset attributable to unit holders	580,542,284	-	580,542,284
Contractual undiscounted cash flows	580,768,601	32,175	580,800,776
2024			
Amount due to Manager	88,527	-	88,527
Accrued management fees	167,222	-	167,222
Amount due to Trustee	6,271	-	6,271
Distribution payable	9,792	-	9,792
Other payables and accruals	-	22,600	22,600
Net asset attributable to unit holders	558,845,753	-	558,845,753
Contractual undiscounted cash flows	559,117,565	22,600	559,140,165

(d) Capital risk management

The capital of the Fund is represented by net assets attributable to unit holders of RM580,542,284 (2024: RM558,845,753). The amount of capital can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns to unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

(e) Fair value estimation

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

The fair values of financial assets traded in active markets (such as trading securities) are based on quoted market prices at the close of trading on the financial year-end date. The Fund utilises the last traded market price for financial assets where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of the fair value.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value estimation

The fair value of financial assets that are not traded in an active market is determined by using valuation techniques:

(i) Fair value hierarchy

The table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active market for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2)
- Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs) (Level 3)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety.

If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2025				
Financial assets at fair value through profit or loss:				
- Unquoted fixed income securities	-	177,352,727	-	177,352,727
2024				
Financial assets at fair value through profit or loss:				
- Unquoted fixed income securities	-	94,362,632	-	94,362,632

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value estimation (continued)

(i) Fair value hierarchy (continued)

Financial instruments that trade in markets that are considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include unquoted fixed income securities.

As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information. The Fund's policies on valuation of these financial assets are stated in Note 2(b).

(ii) The carrying values of cash and cash equivalents, deposits with licensed financial institutions with maturity more than 3 months and amount due from Manager and all current liabilities are a reasonable approximation of their fair values due to their short term nature.

4. MANAGEMENT FEE

In accordance with the Deeds, the Manager is entitled to a maximum management fee of 1.00% per annum, calculated daily based on the NAV of the Fund.

For the financial year ended 31 December 2025, the management fee for the respective classes (2024: 0.40% per annum) is:

Class AI	Class AR
0.40%	0.40%

There was no further liability to the Manager in respect of management fee other than the amount recognised above.

5. TRUSTEE FEE

In accordance with the Deeds, the Trustee is entitled to a maximum trustee fee of 0.03% per annum calculated daily based on the NAV of the Fund. The Trustee fee includes the local custodian fee but excludes the foreign sub-custodian fee and changes (if any).

For the financial year ended 31 December 2025, the Trustee fee was recognised at the rate of 0.015% per annum (2024: 0.015% per annum).

There was no further liability to the Trustee in respect of Trustee fee other than the amount recognised above.

6. DISTRIBUTION

Distributions to unit holders were derived from the following sources (assessed up to distribution declaration date):

	2025		2024	
	RM	%	RM	%
Source of distribution				
Distribution out of current year's income	5,820,546	100.00	8,429,283	100.00
Distribution out of prior year's income/capital *	-	-	-	-
Total	5,820,546	100.00	8,429,283	100.00

* Distribution income has been accrued as at the end of the prior financial year but is not declared and paid as distribution.

	2025	2024
	RM	RM
Gross/Net distribution per unit (sen)		
Distribution on 28 March 2025		
- Class AI	0.15	-
- Class AR	0.98	-
Distribution on 30 June 2025		
- Class AI	0.20	-
- Class AR	0.78	-
Distribution on 30 September 2025		
- Class AI	0.26	-
- Class AR	0.73	-
Distribution on 29 March 2024		
- Class AI	-	0.50
- Class AR	-	0.40
Distribution on 28 June 2024		
- Class AI	-	0.45
- Class AR	-	0.42
Distribution on 30 September 2024		
- Class AI	-	0.38
- Class AR	-	0.36
Distribution on 31 December 2024		
- Class AI	-	0.30
- Class AR	-	0.45
	3.10	3.26

Gross distribution is derived using total income less total expenses. Net distribution above is mainly sourced from current and prior financial year’s realised income/(loss).

Gross distribution per unit is derived from gross realised income less expenses, divided by the number of units in circulation. Net distribution per unit is derived from gross realised income less expenses and taxation, divided by the number of units in circulation.

During the financial year ended 31 December 2025, the Fund incurred unrealised loss of RM77,784 (2024: Nil).

7. TAXATION

	2025 RM	2024 RM
Tax charged for the financial year:		
- Current taxation	-	-

A numerical reconciliation between the profit before taxation multiplied by the Malaysian statutory income tax rate and tax expense of the Fund is as follows:

	2025 RM	2024 RM
Profit before taxation	12,866,732	11,074,407
Taxation at Malaysian statutory rate of 24% (2024: 24%)	3,088,016	2,657,858
Tax effects of:		
- Investment income not subject to tax	(5,041,389)	(5,225,374)
- Expenses not deductible for tax purposes	30,217	20,516
- Restriction on tax deductible expenses for Unit Trust Fund	1,923,156	2,547,000
Taxation	-	-

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 RM	2024 RM
At fair value through profit or loss:		
- Unquoted fixed income securities	177,352,727	94,362,632
Net gain on financial assets at fair value through profit or loss:		
- Realised gain on disposals	253,164	432,218
- Unrealised fair value loss	(77,784)	(230,972)
	175,380	201,246

Name of issuer	Nominal value RM	Aggregate cost RM	Market value RM	Percentage of NAV %
2025				
UNQUOTED FIXED INCOME SECURITIES				
7-Eleven Malaysia Holdings Bhd 4.28% 26/06/2026 (AA)	430,000	431,076	430,986	0.07
Aeon Credit Service M Bhd 3.80% 10/02/2027 (AA3)	10,000,000	10,156,877	10,171,977	1.75
Bumitama Agri Limited Bhd 4.20% 22/07/2026 (AA2)	25,200,000	25,794,580	25,758,587	4.44
DIGI Telecomm Sdn Bhd 3.50% 18/09/2026 (AAA)	650,000	655,379	656,646	0.11
Genting Capital Sdn Bhd 4.86% 08/06/2027 (AA1)	20,000,000	20,341,462	20,305,912	3.50

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of issuer	Nominal value RM	Aggregate cost RM	Market value RM	Percentage of NAV %
2025 (CONTINUED)				
UNQUOTED FIXED INCOME SECURITIES (CONTINUED)				
Genting RMTN Bhd 5.19% 25/03/2027 (AA1)	15,000,000	15,485,522	15,425,922	2.66
Imtiaz Sukuk II Bhd 3.54% 17/04/2026 (AA2)	500,000	503,742	503,622	0.09
Kapar Energy Ventures 4.95% 03/07/2026 (AA)	14,000,000	14,453,506	14,430,076	2.48
Malaysian Resources Corporation Bhd 4.66% 16/10/2026 (AA)	7,500,000	7,644,367	7,622,643	1.31
Malaysian Resources Corporation Bhd 5.19% 27/02/2026 (AA)	7,510,000	7,679,804	7,660,847	1.32
Mercedes-Benz Services Msia Sdn Bhd 3.62% 18/03/2026 (AAA)	1,650,000	1,667,450	1,667,694	0.29
OCK Group Bhd 273D 09/01/2026 (NR)	5,860,000	5,678,107	5,854,588	1.01
OCK Group Bhd 274D 20/02/2026 (NR)	10,710,000	10,380,367	10,649,077	1.83
Sabah Credit Corp 3.50% 12/08/2026 (AA1)	5,590,000	5,666,931	5,668,664	0.98
Sabah Credit Corp 3.91% 25/01/2027 (AA1)	3,330,000	3,400,395	3,401,528	0.59
Sabah Development Bank Bhd 5.50% 24/04/2026 (AA1)	7,500,000	7,644,604	7,603,554	1.31
Samaiden Group Bhd 4.23% 09/04/2026 (A1)	3,000,000	3,029,204	3,032,144	0.52
SP Setia Bhd 4.22% 21/04/2027 (AA)	5,490,000	5,582,091	5,580,280	0.96
Starbright Capital Bhd 4.35% 24/12/2026 (AAA)	250,000	249,727	250,364	0.04
TNB Western Energy Bhd 5.23% 29/01/2027 TRANCHE 6 (AAA)	2,500,000	2,614,774	2,601,149	0.45
UEM Sunrise Bhd 4.30% 16/02/2026 (AA)	2,500,000	2,550,930	2,541,980	0.44
UEM Sunrise Bhd 4.40% 08/09/2026 (AA)	5,000,000	5,112,315	5,094,815	0.88
UEM Sunrise Bhd 4.60% 20/05/2026 (AA)	5,000,000	5,076,466	5,044,716	0.87
UEM Sunrise Bhd 5.39% 05/03/2026 (AA)	5,000,000	5,156,911	5,099,861	0.88
UEM Sunrise Bhd 5.45% 30/01/2026 (AA)	10,000,000	10,399,038	10,244,338	1.76
YTL Corporation Bhd 4.63% 11/11/2026 (AA1)	50,000	50,779	50,757	0.01

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of issuer	Nominal value	Aggregate cost	Market value	Percentage of NAV
	RM	RM	RM	%
2025 (CONTINUED)				
UNQUOTED FIXED INCOME SECURITIES (CONTINUED)				
TOTAL UNQUOTED FIXED INCOME SECURITIES	**174,220,000**	**177,406,405**	**177,352,727**	**30.55**
ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		**(53,678)**		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		**177,352,727**		
2024				
UNQUOTED FIXED INCOME SECURITIES				
DIGI Telecomm Sdn Bhd 3.50% 18/09/2026	2,900,000	2,920,592	2,917,681	0.52
Swirl Assets Bhd ABSMTN 1826D 18/09/2025	300,000	301,043	301,274	0.05
Sabah Development Bank MTN 4.50% 04/03/2025	5,000,000	5,076,847	5,076,506	0.91
Sabah Development Bank MTN 4.55% 15/08/2025	10,000,000	10,190,057	10,194,227	1.82
Sabah Development Bank MTN 5.00% 21/02/2025	20,000,000	20,379,388	20,382,304	3.65
Toyota Capital (M) Sdn Bhd 3.80% 30/01/2025	15,000,000	15,240,537	15,243,855	2.73
Aeon Credit Service M Bhd 178D 16/01/2025	15,000,000	14,975,660	14,979,150	2.68
Bermaz Auto Bhd 181D 25/03/2025	17,500,000	17,346,003	17,353,875	3.10
OCK Group Bhd 274D 11/04/2025	8,000,000	7,908,399	7,913,760	1.42
TOTAL UNQUOTED FIXED INCOME SECURITIES	**93,700,000**	**94,338,526**	**94,362,632**	**16.88**

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of issuer	Nominal value RM	Aggregate cost RM	Market value RM	Percentage of NAV %
2024 (CONTINUED)				
UNQUOTED FIXED INCOME SECURITIES (CONTINUED)				
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		**24,106**		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		**94,362,632**		

9. CASH AND CASH EQUIVALENTS

	2025 RM	2024 RM
Deposits with licensed financial institutions	35,181,973	60,521,493
Bank balance	35,934,981	47,184,241
	71,116,954	107,705,734

10. NUMBER OF UNITS IN CIRCULATION (UNITS)

	2025 No. of units	2024 No. of units
Class AI (i)	401,681,314	435,684,930
Class AR (ii)	162,744,345	120,311,766
	564,425,659	555,996,696

		2025 No. of units	2024 No. of units
(i)	Class AI		
	At the beginning of the financial year	435,684,930	467,725,857
	Add: Creation of units from applications	428,851,474	930,785,733
	Add: Creation of units from distribution	2,016,197	7,469,776
	Less: Cancellation of units	(464,871,287)	(970,296,436)
	At the end of the financial year	401,681,314	435,684,930
(ii)	Class AR		
	At the beginning of the financial year	120,311,766	43,456,223
	Add: Creation of units from applications	306,957,744	123,780,666
	Add: Creation of units from distribution	2,467,237	978,177
	Less: Cancellation of units	(266,992,402)	(47,903,300)
	At the end of the financial year	162,744,345	120,311,766

11. TOTAL EXPENSE RATIO ("TER")

	2025 %	2024 %
TER	0.43	0.42

TER is derived from the following calculation:

$$TER = \frac{(A + B + C + D + E) \times 100}{F}$$

A = Management fee
B = Trustee fee
C = Audit fee
D = Tax agent's fee
E = Other expenses
F = Average NAV of the Fund calculated on a daily basis

The average NAV of the Fund for the financial year calculated on a daily basis was RM544,865,115 (2024: RM541,512,870).

12. PORTFOLIO TURNOVER RATIO ("PTR")

	2025 %	2024 %
PTR	0.65	0.61

PTR is derived from the following calculation:

$$\frac{(\text{Total acquisition for the financial year} + \text{total disposal for the financial year}) \div 2}{\text{Average NAV of the Fund for the financial year calculated on a daily basis}}$$

where:
total acquisition for the financial year = RM487,041,423 (2024: RM347,534,594)
total disposal for the financial year = RM221,005,484 (2024: RM317,380,007)

13. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER, AND RELATED PARTIES TRANSACTIONS AND BALANCES

The related parties and their relationship with the Fund are as follows:

Related parties	Relationship
Principal Asset Management Berhad	The Manager
Principal Financial Group, Inc.	Ultimate holding company of shareholder of the Manager
Principal International (Asia) Ltd	Shareholder of the Manager
Subsidiaries and associates of Principal Financial Group Inc., other than above, as disclosed in its financial statements	Fellow subsidiary and associated companies of the ultimate holding company of shareholder of the Manager
CIMB Group Holdings Bhd	Ultimate holding company of shareholder of the Manager

13. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER, AND RELATED PARTIES TRANSACTIONS AND BALANCES (CONTINUED)

The related parties and their relationship with the Fund are as follows (continued):

Related parties	Relationship
CIMB Group Sdn Bhd	Shareholder of the Manager
CIMB Islamic Bank Bhd	Fellow related party to the Manager
CIMB Bank Bhd	Fellow related party to the Manager
Subsidiaries and associates of CIMB Group Holdings Bhd, other than above, as disclosed in its financial statements	Fellow subsidiary and associated companies of the ultimate holding company of the Manager

Units held by the Manager and parties related to the Manager

	2025		2024	
	No. of units	**RM**	**No. of units**	**RM**
Manager				
Principal Money Market Income Fund				
- Class AI	206	213	16,826	16,912
- Class AR	307	312	2,001	2,011

In the opinion of the Manager, the above units were transacted at the prevailing market price.

The units are held beneficially by the Manager for booking purposes. Other than the above, there were no units held by the Directors or parties related to the Manager.

In addition to the related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances. The Manager is of the opinion that all transactions with the related companies have been entered into in the normal course of business at agreed terms between the related parties.

	2025 RM	**2024 RM**
Significant related party transactions		
Interest income from deposits with licensed financial institutions:		
- CIMB Bank Bhd	777,867	1,753,553
- CIMB Islamic Bank Bhd	267,979	822
Significant related party balances		
Bank balance:		
- CIMB Bank Bhd	-	608,870
- CIMB Islamic Bank Bhd	-	416,103

14. TRANSACTIONS WITH DEALERS

Details of transactions with the top 10 dealers for the financial year ended 31 December 2025 were as follows:

Dealers	Value of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of brokerage fees %
HLG Securities Sdn Bhd	210,954,134	29.80	-	-
RHB Bank Bhd	209,230,692	29.55	-	-
RHB Investment Bank Bhd	85,466,800	12.07	-	-
AmBank (M) Bhd	51,344,178	7.25	-	-
Hong Leong Investment Bank Bhd	51,137,974	7.22	-	-
Malayan Banking Bhd	49,732,984	7.02	-	-
Affin Hwang Investment Bank Bhd	25,161,650	3.55	-	-
CIMB Bank Bhd #	22,492,620	3.18	-	-
Hong Leong Islamic Bank Bhd	2,525,875	0.36	-	-
	708,046,907	100.00	-	-

Details of transactions with the top 10 dealers for the financial year ended 31 December 2024 were as follows:

Dealers	Value of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of brokerage fees %
Hong Leong Investment Bank Bhd	305,061,757	45.88	-	-
RHB Bank Bhd	104,275,838	15.68	-	-
RHB Investment Bank Bhd	97,299,131	14.63	-	-
AmBank (M) Bhd	49,822,375	7.49	-	-
Hong Leong Bank Bhd	20,068,750	3.02	-	-
CIMB Bank Bhd #	20,050,250	3.02	-	-
Malayan Banking Bhd	15,361,500	2.31	-	-
Affin Hwang Investment Bank Bhd	9,957,000	1.50	-	-
AmIslamic Bank Bhd	5,000,500	0.75	-	-
Others #	38,017,500	5.72	-	-
	664,914,601	100.00	-	-

Included in the transactions are trades conducted with CIMB Bank Bhd, fellow related parties to the Manager amounting to RM22,492,620 (2024: RM20,050,250). The Manager is of the opinion that all transactions with the related company have been entered into in the normal course of business at agreed terms between the related parties.

15. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Manager on 13 February 2026.

DIRECTORY

Head Office of the Manager
Principal Asset Management Berhad (Company No.: 199401018399 (304078-K))
Level 32, Exchange 106,
Lingkaran TRX,
55188 Tun Razak Exchange,
Kuala Lumpur, Malaysia.
Tel: (03) 8680 8000

Website
www.principal.com.my

E-mail address
myservice@principal.com

Customer Care Centre
(03) 7723 7260

Chat with us via WhatsApp:
(6016) 299 9792

Trustee for the Principal Money Market Income Fund
HSBC (Malaysia) Trustee Berhad (Company No.: 193701000084 (1281-T))
Level 19, Menara IQ, Lingkaran TRX,
55188 Tun Razak Exchange, Kuala Lumpur, MALAYSIA.
Tel: (03) 2075 7800
Fax: (03) 8894 2611

Auditors of the Fund and of the Manager
Ernst & Young PLT 202006000003 (LLP0022760-LCA) & AF 0039
Level 23A, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur
Tel: +603 7495 8000
Fax: +603 2095 5332

Appendix 1

	Master Prospectus dated 3 July 2023 and First Supplemental Master Prospectus dated 5 September 2023 ("Prospectus 1")	Second Supplemental Master Prospectus dated 28 July 2025 ("Prospectus 2")
Section / Page	Description	Description
	All references to "service@principal.com.my" and "goinvest@principal.com.my" in the Master Prospectus shall be amended to "myservice@principal.com" and "mygoinvest@principal.com" respectively.	
About this document / ii	INVESTORS SHOULD BE AWARE THAT THE CAPITAL OF THE TI-TIP, LI-B AND DY-DEMI WILL BE ERODED WHEN THE TI-TIP, LI-B AND DY-DEMI DECLARES DISTRIBUTION OUT OF CAPITAL AS THE DISTRIBUTION IS ACHIEVED BY FORGOING THE POTENTIAL FOR FUTURE CAPITAL GROWTH AND THIS CYCLE MAY CONTINUE UNTIL ALL CAPITAL IS DEPLETED.	INVESTORS SHOULD BE AWARE THAT THE CAPITAL OF TI-TIP, LI-B, LI-BI, DY-DEMI, LI-BO AND LI-EIB WILL BE ERODED WHEN TI-TIP, LI-B, LI-BI, DY-DEMI, LI-BO AND LI-EIB DECLARES DISTRIBUTION OUT OF CAPITAL AS THE DISTRIBUTION IS ACHIEVED BY FORGOING THE POTENTIAL FOR FUTURE CAPITAL GROWTH AND THIS CYCLE MAY CONTINUE UNTIL ALL CAPITAL IS DEPLETED.
Definitions / iii	Nil.	Definitions Bloomberg - Bloomberg LP. IHS Markit - IHS Markit Ltd.
Corporate Directory / vi	The Manager Principal Asset Management Berhad Business address 10th Floor Bangunan CIMB Jalan Semantan Damansara Heights 50490 Kuala Lumpur MALAYSIA Tel : (603) 2084 8888 Registered address 8th Floor Bangunan CIMB Jalan Semantan Damansara Heights 50490 Kuala Lumpur MALAYSIA Tel : (603) 2084 8888 Customer Care Centre Ground Floor Bangunan CIMB Jalan Semantan Damansara Heights 50490 Kuala Lumpur MALAYSIA Tel : (03) 7723 7260 Fax : (03) 7718 3003 Whatsapp : (6016) 299 9792	The Manager Principal Asset Management Berhad Business/Registered address Level 32, Exchange 106, Lingkaran TRX 55188 Tun Razak Exchange Kuala Lumpur MALAYSIA Tel : (603) 8680 8000 Customer Care Centre Level 31, Exchange 106, Lingkaran TRX 55188 Tun Razak Exchange Kuala Lumpur MALAYSIA Tel : (603) 7723 7260 WhatsApp : (6016) 299 9792 Website www.principal.com.my E-mail myservice@principal.com mygoinvest@principal.com (for Class D only)

	Master Prospectus dated 3 July 2023 and First Supplemental Master Prospectus dated 5 September 2023 ("Prospectus 1")	Second Supplemental Master Prospectus dated 28 July 2025 ("Prospectus 2")
Section / Page	Description	Description
	Website www.principal.com.my E-mail service@principal.com.my goinvest@principal.com.my (for Class D only)	
Corporate Directory/ vi	Sub-Manager for TI-AT and OP-CIIO Principal Asset Management (S) Pte. Ltd. Business/Registered address 50 Raffles Place #22-03A&B Singapore Land Tower SINGAPORE 048623 Tel : (65) 6390 0800	Sub-Manager for TI-AT and OP-CIIO Principal Asset Management (S) Pte. Ltd. Business/Registered address One Raffles Quay North Tower #37-01 Singapore 048583 Tel : (65) 6031 0811
1.1.18. / 33	Principal US High Conviction Equity Fund Benchmark : MSCI U.S Small Cap Index	Principal US High Conviction Equity Fund Benchmark : MSCI U.S Small Cap Growth Index

List of Amendments
Second Supplemental Master Prospectus **for Conventional funds ("Fund")**

	Master Prospectus dated 3 July 2023 and First Supplemental Master Prospectus dated 5 September 2023 ("Prospectus 1")	Second Supplemental Master Prospectus dated 28 July 2025 ("Prospectus 2")
Section / Page	Description	Description
1.3. / 38	Regional & Global Funds ▪ Equities and debt securities traded in or under the rules of an Eligible Market. ▪ Warrants that carry the right in respect of a security traded in or under the rules of an Eligible Market; ▪ Unlisted securities including securities not listed or quoted on a stock exchange but have been approved by the relevant regulatory authority for such listing or quotation and are offered directly to the fund by the issuer; ▪ Deposits and money market instruments; ▪ Derivative instruments, including but not limited to options, futures contracts, forward contracts and swaps; ▪ All types of CIS; ▪ Structured products [Note 1]; ▪ Convertible bonds [Note 1]; ▪ For securities listed or traded on foreign markets, the regulatory authority must be under an Eligible Market; [Note 2] ▪ Equity related securities traded in or under the rules of an Eligible Market; [Note 3] and ▪ Any other form of investments as may be permitted by the SC from time to time that is in line with the Fund's objectives.	Regional & Global Funds ▪ Equities and debt securities traded in or under the rules of an Eligible Market (not applicable to Principal US High Conviction Equity Fund). ▪ Warrants that carry the right in respect of a security traded in or under the rules of an Eligible Market; ▪ Unlisted securities including securities not listed or quoted on a stock exchange but have been approved by the relevant regulatory authority for such listing or quotation and are offered directly to the fund by the issuer; ▪ Deposits and money market instruments; ▪ Derivative instruments, including but not limited to options, futures contracts, forward contracts and swaps; ▪ All types of CIS; ▪ Structured products [Note 1]; ▪ Convertible bonds [Note 1]; ▪ For securities listed or traded on foreign markets, the regulatory authority must be under an Eligible Market; [Note 2] ▪ Equity related securities traded in or under the rules of an Eligible Market; [Note 3] and ▪ Equities traded in or under the rules of an Eligible Market (only applicable to Principal US High Conviction Equity Fund).
1.8.2/48	Second bullet point ▪ Unlisted securities The valuation of equities not listed or quoted on a stock exchange but have been approved by the relevant regulatory authority for such listing or quotation and are offered directly to the Fund by the issuer shall be valued at the issue price of such equities. The value will be determined by the financial institution that issued the instrument. The value of any unlisted MYR-denominated debt securities shall be calculated on a daily basis using prices quoted by a bond pricing agency ("BPA") registered with the SC. Where such prices are not available or where we are of the view that the price quoted by the BPA for a specific debt security differs from the market price by more than twenty (20) basis points, we may use the market price by reference to the last available quote provided such quote was obtained within the previous thirty (30) days and we record its basis for using a non-BPA price, obtained necessary internal approvals to use the non-BPA price and keeps an audit trail of all decisions and basis for adopting the market yield.	Second bullet point ▪ Unlisted equities The valuation of equities not listed or quoted on a stock exchange but have been approved by the relevant regulatory authority for such listing or quotation and are offered directly to the Fund by the issuer shall be valued daily at the issue price of such equities. The value will be determined by the issuer that issued the instrument. ▪ Unlisted debt securities The value of any unlisted MYR-denominated debt securities shall be calculated on a daily basis using prices quoted by a bond pricing agency (BPA) registered with the SC. Where we are of the view that the price quoted by the BPA for a specific unquoted debt securities differs from the market price by more than 20 basis points, we may propose a fair value price, provided that we obtain necessary internal approvals to use the non-BPA price and keep an audit trail of the basis for determining the fair value of the investment. The basis for determining the fair value of the investment should be approved by the Trustee (after appropriate technical consultation) and is documented.

	Master Prospectus dated 3 July 2023 and First Supplemental Master Prospectus dated 5 September 2023 ("Prospectus 1")	Second Supplemental Master Prospectus dated 28 July 2025 ("Prospectus 2")
Section / Page	Description	Description
	~~The value of any unlisted non-MYR-denominated debt securities shall be valued daily by reference to the average indicative yield quoted by three (3) independent and reputable financial institutions.~~ For TI-AT, TI-TIP, LI-BI, DY-DEMI, LI-BO and LI-EIB, the value of any unlisted non MYR-denominated debt securities shall be calculated daily using prices quoted by ICE using its proprietary methodology. The bond prices ~~by ICE~~ are calculated using prices contributed by financial institutions and other market inputs listed in approximate order of priority, include: benchmark yields, reported trades, broker/dealer quotes, issuer spreads and reference data (e.g. corporate action announcements and ratings). Where the prices from ICE are not available on any business day, these bonds will be valued by reference to the average indicative yield quoted by three (3) independent and reputable financial institutions.	For TI-AT, TI-TIP, LI-BI, DY-DEMI, LI-BO and LI-EIB, the value of any unlisted non MYR-denominated debt securities shall be calculated daily using prices quoted by ICE, Refinitiv, IHS Markit Ltd or Bloomberg, dependent on market using their proprietary methodology. The bond prices are calculated using prices contributed by financial institutions and other market inputs, including benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data (e.g. corporate action announcements and ratings). Where the prices are not available on any Business Day, these debt securities will be valued by reference to the average indicative yield quoted by three (3) independent and reputable financial institutions. However, where quotations are still not available, such unlisted non MYR-denominated debt securities will be valued daily at a fair price determined in good faith by us, based on the methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.
3.4.5 / 15	You should not make payment in cash to any individual agent or employee of Principal Malaysia or issue a cheque in the name of any individual agent or employee of Principal Malaysia when purchasing units of a fund.	You should not make any payment directly or indirectly to any individual agent or employee of the Manager or issue a cheque in the name of an individual agent or employee of the Manager when purchasing the Funds.
3.11 / 64	Fifth paragraph TI-TIP, LI-B and DY-DEMI may distribute from realised income, realised capital gains, unrealised income, unrealised capital gains, capital or combination of any of the above. Distributions are at our discretion and are not guaranteed, and the making of any distribution does not imply that further distributions will be made and we reserve the right to vary the frequency and/or amount of distributions. Distribution out of capital is to allow the Fund the ability to distribute more income or to pursue the investment strategy of the Fund. The effects of making distribution out of capital has a risk of eroding the capital of the Fund.	Fifth paragraph TI-TIP, LI-B, LI-BI, DY-DEMI, LI-BO and LI-EIB may distribute from realised income, realised capital gains, unrealised income, unrealised capital gains, capital or combination of any of the above. Distributions are at our discretion and are not guaranteed, and the making of any distribution does not imply that further distributions will be made and we reserve the right to vary the frequency and/or amount of distributions. Distribution out of capital is to allow the Fund the ability to distribute more income or to pursue the investment strategy of the Fund. The effects of making distribution out of capital has a risk of eroding the capital of the Fund.
3.12 / 64	Unclaimed Moneys First paragraph Any moneys payable to you which remain unclaimed after twelve (12) months as prescribed by the Unclaimed Moneys Act 1965 ("UMA"), will be surrendered to the Registrar of Unclaimed Moneys by us in accordance with the requirements of the UMA. Thereafter, all claims need to be made by you with the Registrar of Unclaimed Moneys.	Unclaimed Moneys First paragraph Any moneys payable to you which remain unclaimed after two (2) years as prescribed by the Unclaimed Moneys Act 1965 ("UMA"), will be surrendered to the Registrar of Unclaimed Moneys by us in accordance with the requirements of the UMA. Thereafter, all claims need to be made by you with the Registrar of Unclaimed Moneys.
4.2. / 65	**The Fund's ~~printed~~** annual report is available upon request.	**The Fund's annual report is available upon request.**

List of Amendments
Second Supplemental Master Prospectus **for Conventional funds ("Fund")**

<table>
<tr><th></th><th>Master Prospectus dated 3 July 2023 and First Supplemental Master Prospectus dated 5 September 2023 ("Prospectus 1")</th><th>Second Supplemental Master Prospectus dated 28 July 2025 ("Prospectus 2")</th></tr>
<tr><th>Section / Page</th><th>Description</th><th>Description</th></tr>
<tr><td>4.2. / 66</td><td>Last paragraph

If you wish to write-in, please address your letter to:

Principal Asset Management Berhad
Customer Care Centre
Ground Floor Bangunan CIMB
Jalan Semantan
Damansara Heights
50490 Kuala Lumpur, MALAYSIA</td><td>Last paragraph

If you wish to write-in, please address your letter to:

Principal Asset Management Berhad
Customer Care Centre
Level 31, Exchange 106, Lingkaran TRX
55188 Tun Razak Exchange
Kuala Lumpur MALAYSIA</td></tr>
<tr><td>4.3. / 66</td><td><table><tr><th></th><th>Deeds</th></tr><tr><td>Equity Funds</td><td rowspan="3">• Master Deed dated 15 May 2008
• First Supplemental Deed dated 25 June 2008
• Second Supplemental Master Deed dated 25 June 2008
• Third Supplemental Master Deed dated 14 July 2008
• Fourth Supplemental Master Deed dated 18 March 2009
• Fifth Supplemental Master Deed dated 16 July 2009
• Sixth Supplemental Master Deed dated 16 December 2009
• Seventh Supplemental Master Deed dated 11 February 2010
• Eighth Supplemental Master Deed dated 14 June 2010
• Ninth Supplemental Master Deed dated 25 November 2010
• Thirteenth Supplemental Master Deed dated 26 June 2012
• Fourteenth Supplemental Master Deed dated 21 September 2012
• Eighteenth Supplemental Master Deed dated 25 March 2015.</td></tr><tr><td>Mixed Asset Funds</td></tr><tr><td>Fixed Income Funds</td></tr></table></td><td><table><tr><th></th><th>Deeds</th></tr><tr><td>Equity Funds</td><td rowspan="3">• Master Deed dated 15 May 2008
• First Supplemental Deed dated 25 June 2008
• Second Supplemental Master Deed dated 25 June 2008
• Third Supplemental Master Deed dated 14 July 2008
• Fourth Supplemental Master Deed dated 18 March 2009
• Fifth Supplemental Master Deed dated 16 July 2009
• Sixth Supplemental Master Deed dated 16 December 2009
• Seventh Supplemental Master Deed dated 11 February 2010
• Eighth Supplemental Master Deed dated 14 June 2010
• Ninth Supplemental Master Deed dated 25 November 2010
• Thirteenth Supplemental Master Deed dated 26 June 2012
• Fourteenth Supplemental Master Deed dated 21 September 2012
• Eighteenth Supplemental Master Deed dated 25 March 2015.</td></tr><tr><td>Mixed Asset Funds</td></tr><tr><td>Fixed Income Funds</td></tr></table></td></tr>
</table>

	Master Prospectus dated 3 July 2023 and First Supplemental Master Prospectus dated 5 September 2023 ("Prospectus 1")		Second Supplemental Master Prospectus dated 28 July 2025 ("Prospectus 2")	
Section / Page	Description		Description	
	Regional & Global Funds	• Nineteenth Supplemental Master Deed dated 11 May 2016. • Twentieth Supplemental Master Deed dated 21 October 2019 • Twenty Third Supplemental Master Deed dated 27 June 2022 • Twenty Fourth Supplemental Master Deed dated 13 January 2023 • Twenty Fifth Supplemental Master Deed dated 26 May 2023 ~~For KLF:~~ ~~• Master Deed Constituting Index Funds dated 30 November 2007~~ ~~• First Supplemental Master Deed dated 25 June 2008~~ ~~• Second Supplemental Master Deed dated 14 July 2008~~ ~~• Third Supplemental Deed dated 16 July 2009~~ ~~• Fourth Supplemental Deed dated 26 July 2013~~ ~~• Fifth Supplemental Deed dated 23 March 2015~~ ~~• Sixth Supplemental Deed dated 21 October 2019~~ ~~• Seventh Supplemental Deed dated 13 January 2023~~ For GBAY: • Master Deed dated 28 August 2019 • First Supplemental Deed dated 10 January 2023 ~~For DY ADB:~~ ~~• Master Deed dated 29 May 2017~~ ~~• First Supplemental Deed dated 7 November 2019~~ ~~• Second Supplemental Deed dated 10 January 2023~~	Regional & Global Funds	• Nineteenth Supplemental Master Deed dated 11 May 2016. • Twentieth Supplemental Master Deed dated 21 October 2019 • Twenty Third Supplemental Master Deed dated 27 June 2022 • Twenty Fourth Supplemental Master Deed dated 13 January 2023 • Twenty Fifth Supplemental Master Deed dated 26 May 2023 • Twenty Sixth Supplemental Master Deed dated 25 March 2025 For GBAY: • Master Deed dated 28 August 2019 • First Supplemental Deed dated 10 January 2023 For OP-CDO: • Master Deed dated 22 January 2018 • First Supplemental Deed dated 7 November 2019 • Second Supplemental Deed dated 10 January 2023 For UHCE: • Master Deed dated 20 August 2021 • First Supplemental Deed dated 10 January 2023 For APRF: • Master Deed dated 25 November 2021 • First Supplemental Deed dated 10 January 2023

<table>
<tr><th></th><th>Master Prospectus dated 3 July 2023 and First Supplemental Master Prospectus dated 5 September 2023 ("Prospectus 1")</th><th>Second Supplemental Master Prospectus dated 28 July 2025 ("Prospectus 2")</th></tr>
<tr><th>Section / Page</th><th>Description</th><th>Description</th></tr>
<tr><td></td><td><u>For OP-CDO:</u>
• Master Deed dated 22 January 2018
• First Supplemental Deed dated 7 November 2019
• Second Supplemental Deed dated 10 January 2023

<u>For UHCE:</u>
• Master Deed dated 20 August 2021
• First Supplemental Deed dated 10 January 2023

<u>For APRF:</u>
• Master Deed dated 25 November 2021
• First Supplemental Deed dated 10 January 2023</td><td></td></tr>
<tr><td>5.1.2 / 69</td><td>Designated Person Responsible for Fund Management Function

<table><tr><td>Name:</td><td>Patrick Chang Chian Ping</td></tr><tr><td>Designation:</td><td>Chief Investment Officer, Malaysia & Chief Investment Officer, Equities, ASEAN Region</td></tr><tr><td>Experience:</td><td>He was appointed as the Chief Investment Officer on 22 February 2016. He comes with an extensive 20 years of experience in asset management and is backed by numerous ASEAN awards from Malaysian pension funds in 2013 and 2015. He was previously the Head of ASEAN equities at BNP Paribas Investment Partners, Malaysia where he was overseeing ASEAN equities for both Malaysian and offshore clients from 2012. Prior to that, he served as Senior Vice President for CIMB-Principal Asset Management Berhad where he specialised in Malaysia, ASEAN and Asia specialist funds. He also worked as a portfolio manager at Riggs and Co International Private Banking in London specialising in managing global ETF portfolios.</td></tr></table></td><td>Designated Person Responsible for Fund Management Function

<table><tr><td>Name:</td><td>Lee Chun Hong</td></tr><tr><td>Designation:</td><td>Chief Investment Officer, Equities – Malaysia</td></tr><tr><td>Experience:</td><td>Chun Hong has more than 19 years of experience in fund management and equity research. He joined Principal Malaysia in 2017 to manage unit trust funds and institutional mandates covering Malaysian and ASEAN markets. Prior to that, he was attached to Libra Invest Berhad, managing and supervising Unit Trust and Research divisions that covered ASEAN and China-Hong Kong markets. He commenced his career in fund management industry at Public Mutual Berhad. He had research responsibilities for regional plantation and consumer sectors, as well as research country coverage of ASEAN markets. Subsequently, he moved on to portfolio management, specialising in ASEAN markets. He started covering ASEAN markets since 2010. He was also previously with PricewaterhouseCoopers as an auditor.</td></tr></table></td></tr>
</table>

	Master Prospectus dated 3 July 2023 and First Supplemental Master Prospectus dated 5 September 2023 ("Prospectus 1")	Second Supplemental Master Prospectus dated 28 July 2025 ("Prospectus 2")
Section / Page	Description	Description
	Qualifications: MSc Finance from City University Business School and BSc Accounting and Financial Analysis from University of Warwick, UK.	Qualifications: ▪ Bachelor of Commerce (Accounting & Finance) - Monash University, Clayton Campus. ▪ A CFA Charterholder. ▪ Ex-member of CPA Australia.
11 / 87 - 92	As disclosed in Prospectus 1	Updated as per disclosure in Prospectus 2

List of Amendments
Combined Supplemental Master Prospectus **for Conventional funds ("Fund")**

	Master Prospectus dated 3 July 2023, First Supplemental Master Prospectus dated 5 September 2023, and Second Supplemental Master Prospectus dated 28 July 2025 ("Prospectus 1")	Combined Supplemental Master Prospectus dated 24 December 2025 ("Prospectus 2")
Section / Page	Description	Description
	The information on Principal Asia Pacific Renewables Fund has been deleted in its entirety following its termination on 17 September 2025.	
	All references to "Refinitiv", wherever they appear in the Prospectus have been replaced with "London Stock Exchange Group Data & Analytics".	
Principal Greater Bay Fund / 1.1.15 / 29	Investment Policy and Strategy Second paragraph CCB Principal Asset Management Co. Ltd ("CCBPAM") will advise and provide investment research and stock recommendation to us in accordance with the investment objective and within the investment restrictions of the Fund.	Investment Policy and Strategy Second paragraph CCB Principal Asset Management (Hong Kong) Co., Limited ("CCB Principal (HK)") acts as the sub-adviser to the Fund and is contractually responsible for advising on the Fund's investments, generating investment research, and making stock recommendations that are consistent with the Fund's stated objective and investment restrictions. CCB Principal (HK) leverages on robust onshore research and portfolio analytics capabilities of CCB Principal Asset Management Co., Ltd. ("CCBPAM") in Beijing, however, CCB Principal (HK) maintains full discretion over both the interpretation of that input and the final investment recommendations.
Principal China Direct Opportunities Fund / 1.1.17 / 32	Investment Policy and Strategy Second paragraph CCB Principal Asset Management Co. Ltd. ("CCBPAM"), a company incorporated in China, will advise and provide investment research and stock recommendation to us in accordance with the investment objective and within the investment restrictions of the Fund. CCBPAM utilizes it's in-house developed proprietary multi-factor model as a tool for the stock selection and portfolio construction. The multiple factors embedded within the model act as the criteria in the stock selection and portfolio construction by taking into account the elements that will affect the investment returns, ranging from fundamental, technical to sentimental aspect. The factors are actively revised, where they can be adjusted continuously in accordance with changes in the market.	Investment Policy and Strategy Second paragraph CCB Principal Asset Management (Hong Kong) Co., Limited ("CCB Principal (HK)"), a company incorporated in Hong Kong, acts as the sub-adviser to the Fund and is contractually responsible for advising on the Fund's investments, generating investment research, and making stock recommendations that are consistent with the Fund's stated objective and investment restrictions. CCB Principal (HK) leverages on robust onshore research and portfolio analytics capabilities of CCB Principal Asset Management Co., Ltd. ("CCBPAM") in Beijing, however, CCB Principal (HK) maintains full discretion over both the interpretation of that input and the final investment recommendations.
Other expenses / 2.2.3 / 52	Nil	▪ costs, fees and expenses deemed by the Manager to have been incurred in connection with any change or introduction of any law, regulation or requirement (whether or not having the force of law) of any governmental or regulatory authority, ministry, agency or department; ▪ costs, fees and expenses incurred in relation to the subscription, renewal and/or licensing of the performance benchmark for the Fund; ▪ costs, fees and expenses incurred in the engagement and provision of a registrar, administrator and/or transfer agent services; ▪ costs, fees and expenses incurred in the provision of any electronic or digital invoicing;
CCB Principal Asset Management (Hong Kong) Co., Limited / 8 / 73 & 74	8.1. ABOUT CCB PRINCIPAL ASSET MANAGEMENT CO. LTD. CCB Principal Asset Management Co. Ltd ("CCBPAM") will advise and provide investment research and stock recommendation to the Manager for the Principal Greater Bay Fund and Principal China Direct Opportunities Fund.	8.1. ABOUT CCB PRINCIPAL ASSET MANAGEMENT (HONG KONG) CO., LIMITED CCB Principal Asset Management (Hong Kong) Co., Limited ("CCB Principal (HK)") acts as the sub-adviser to the Principal Greater Bay Fund and Principal China Direct Opportunities Fund and is contractually responsible for advising on the Fund's investments, generating

	Master Prospectus dated 3 July 2023, First Supplemental Master Prospectus dated 5 September 2023, and Second Supplemental Master Prospectus dated 28 July 2025 ("Prospectus 1")	Combined Supplemental Master Prospectus dated 24 December 2025 ("Prospectus 2")
Section / Page	Description	Description
	CCB Principal Asset Management Co., Ltd. (CCBPAM) was incorporated in September, 2005 in Beijing. The Company offers myriad kinds of service, such as fund raising, fund sales, asset management and other services within the scope approved by China Securities Regulatory Commission (CSRC). Besides, CCB Principal Capital Management Co., Ltd. and CCB Principal Asset Management (Hong Kong) Co., Limited are both subsidiaries of CCBPAM, which has officially joined the UN PRI in 2021. At the end of 2021, CCBPAM's total AUM has reached RMB1.36trn, among which, mutual funds has accounted for RMB676.6bn while segregated accounts RMB433.6bn, maintaining CCBPAM's leading position in the industry. In addition, its affiliate CCB Principal Capital Management Co., Ltd. had RMB250.6bn in assets under management. The Company's 2021 combined net profits were RMB1,155mn, making its ROE, ROA and cost/income ratio be at a fairly healthy level in the industry. As the performance of CCBPAM's segregated account products ranks top 15% to 30% among peers in the Chinese market, CCBPAM, being rated as Double Five-star Asset Manager by the Insurance Asset Management Association of China ,has successively won 25 corporate awards, such as the Golden Bull Award and the Golden Fund Award, 53 product awards and 18 portfolio manager awards. Asset management is the core business of CCBPAM, and contributes nearly all income and profit of the Company. CCBPAM maintains a comprehensive asset management platform that offers capabilities to invest across both domestic and international markets, and to provide clients with products of different risk levels and different strategies. CCBPAM strives to build a robust investment and research, product, IT, operations, and risk management frameworks to deliver a long term oriented, stable, and good performance to its clients. CCBPAM has strict risk management system and compliance regime to ensure the Company is complied with the law and regulatory policies. Both the Company and the senior management team have not been involved in any business litigation or other legal proceedings related to investment activities since establishment. As at LPD, there is one (1) litigation pending, there is no other litigation or arbitration proceeding pending or threatened against or initiated by CCBPAM nor is there any fact likely to give rise to any proceeding, which might materially affect the business or financial position of CCBPAM.	investment research, and making stock recommendations that are consistent with the Fund's stated objective and investment restrictions. CCB Principal (HK) leverages on robust onshore research and portfolio analytics capabilities of CCB Principal Asset Management Co., Ltd. ("CCBPAM") in Beijing, however, CCB Principal (HK) maintains full discretion over both the interpretation of that input and the final investment recommendations. CCB Principal (HK), the wholly-owned subsidiary of CCB Principal Asset Management ("CCB Fund"), was incorporated in April 2019 and is licensed by the Securities and Futures Commission of Hong Kong to conduct Type 4 (Advising on Securities) and Type 9 (Asset Management) regulated activities. Established in September 2005, CCB Fund is the fund management company initiated by commercial banks in China. Experienced in portfolio management, wealth management, cross-border business solution, advisory service, private equity business etc. CCB Fund is ideally positioned to identify asset management opportunities for both institutional and individual clients. Its shareholders are China Construction Bank (65%), Principal Group (25%) and China HuaDian Holdings Company Limited (10%). CCB Principal (HK) offers diversified global-portfolio asset management service and products, including equity, fixed income, alternatives, multi-asset and quantitative investment solutions. 8.1.1. About CCB Principal Asset Management Co. Ltd. CCB Principal Asset Management Co., Ltd. (CCBPAM) was incorporated in September 2005 in Beijing. The Company offers myriad kinds of service, such as fund raising, fund sales, asset management and other services within the scope approved by China Securities Regulatory Commission (CSRC). Besides, CCB Principal Capital Management Co., Ltd. and CCB Principal Asset Management (Hong Kong) Co., Limited are both subsidiaries of CCBPAM, which has officially joined the UNPRI in 2021. At the end of 2024, CCBPAM's total AUM has reached RMB1.45 trillion, among which, mutual funds have accounted for RMB891.6 billion while segregated accounts RMB328.9 billion, maintaining CCBPAM's leading position in the industry. In addition, its affiliate CCB Principal Capital Management Co., Ltd. had RMB231.0 billion in assets under management. The Company's combined net profits for 2024 were RMB844 million, making its ROE, ROA and cost/income ratio be at a fairly healthy level in the industry.

	Master Prospectus dated 3 July 2023, First Supplemental Master Prospectus dated 5 September 2023, and Second Supplemental Master Prospectus dated 28 July 2025 ("Prospectus 1")	Combined Supplemental Master Prospectus dated 24 December 2025 ("Prospectus 2")
Section / Page	Description	Description
	8.1.1. Key person responsible for investment advice of the Fund Mr. Zhang Yilin - Portfolio Manager Zhang Yilin is a portfolio manager for CCB Principal Asset Management. He joined CCBPAM in 2016 and is mainly responsible for quantitative oriented investment model development, especially active portfolio management strategies for CCBPAM's Financial Engineering and Index Investment Department. He is a portfolio manager for several segregated accounts. Zhang Yilin received his bachelor's degree in mathematics from Peking University and master's degree in statistics from University of Chicago. Key person of the Financial Engineering & Index Investment Department Mr. Liang Hongyun, PhD, CFA - General Manager Joined CCB Principal Asset Management in 2005, Mr Liang served as researcher, senior researcher, assistant director of research department, deputy director of research department, deputy director of investment department, executive director of investment department and General Manager of Financial Engineering & Index Investment Department. Mr. Liang is the fund manager of CCB Principal MSCI China A Inclusion Index ETF, CCB Principal CSI300 Index Fund, CCB Principal Shuangli Structured Fund, CCB Principal Xinze Fund, CCB Principal SE100 Enhanced Index Fund and CCB Principal ChiNext ETF. The CCB Principal SE100 Enhanced Index Fund has won the Golden Bull Award continuously in 2013 and 2014. Mr. YE Letian, CFA - Vice General Manager Mr. Ye is now the Vice General Manager of Financial Engineering & Index Investment Department at CCB Principal Asset Management. Mr. Ye previously worked for China International Capital Co., Ltd (CICC) as market risk management analyst and quantitative investment manager, and mainly worked on quantitative investment and risk models research. He joined CCB Principal Asset Management in 2011 and presently manages 9 funds, namely CCB Principal CSI S-Cap 500 Enhanced Index Fund, CCB Principal CSI 1000 Enhanced Index Fund, CCB Principal CSI Industrials & Manufacturing Enhanced Index Fund, CCB Principal Quantitative Multi-Factors Fund, CCB Principal CCTV 50 Index Structured Fund, CCB Principal MinFeng Fund, CCB Principal Quantization Youxiang Fund, CCB Principal XinRong Fund and CCB Principal XinLi	As the performance of CCBPAM's segregated account products ranks top 15% to 30% among peers in the Chinese market, CCBPAM, being rated as Double Five-star Asset Manager by the Insurance Asset Management Association of China, has successively won 25 corporate awards, such as the Golden Bull Award and the Golden Fund Award, 53 product awards and 18 portfolio manager awards. Asset management is the core business of CCBPAM and contributes nearly all income and profit of the Company. CCBPAM maintains a comprehensive asset management platform that offers capabilities to invest across both domestic and international markets, and to provide clients with products of different risk levels and different strategies. CCBPAM strives to build a robust investment and research, product, IT, operations, and risk management frameworks to deliver a long term oriented, stable, and good performance to its clients. CCBPAM has strict risk management system and compliance regime to ensure the Company is complied with the law and regulatory policies. Both the Company and the senior management team have not been involved in any business litigation or other legal proceedings related to investment activities since establishment. As at 31 October 2025, there is no litigation or arbitration proceeding current, pending or threatened against or initiated by CCBPAM nor are there any facts likely to give rise to any proceeding which might materially affect the business/financial position of CCBPAM. 8.1.2. Key person responsible for investment advice of the Fund Mr. Zhang Yilin - Portfolio Manager Zhang Yilin is a portfolio manager for CCB Principal Asset Management. He joined CCBPAM in 2016 and is mainly responsible for quantitative oriented investment model development, especially active portfolio management strategies for CCBPAM's Financial Engineering and Index Investment Department. He is a portfolio manager for several segregated accounts. Zhang Yilin received his bachelor's degree in mathematics from Peking University and master's degree in statistics from University of Chicago. Key person of the Financial Engineering & Index Investment Department

	Master Prospectus dated 3 July 2023, First Supplemental Master Prospectus dated 5 September 2023, and Second Supplemental Master Prospectus dated 28 July 2025 ("Prospectus 1")	Combined Supplemental Master Prospectus dated 24 December 2025 ("Prospectus 2")
Section / Page	Description	Description
	Fund respectively. These funds have a significant historical performance, particularly the excess return of CCB Principal CSI500 Fund ranked no.1 in peer group from 2015 to 2016. *Note: For more information, updated information and/or change in advisory arrangement (if any), please refer to our website at www.principal.com.my.*	Mr. Liang Hongyun, PhD, CFA - General Manager Joined CCB Principal Asset Management in 2005, Mr Liang served as researcher, senior researcher, assistant director of research department, deputy director of research department, deputy director of investment department, executive director of investment department and General Manager of Financial Engineering & Index Investment Department. Mr. Liang is the fund manager of CCB Principal MSCI China A Inclusion Index ETF, CCB Principal CSI300 Index Fund, CCB Principal Shuangli Structured Fund, CCB Principal Xinze Fund, CCB Principal SE100 Enhanced Index Fund and CCB Principal ChiNext ETF. The CCB Principal SE100 Enhanced Index Fund has won the Golden Bull Award continuously in 2013 and 2014. Mr. YE Letian, CFA - Vice General Manager Mr. Ye is now the Vice General Manager of Financial Engineering & Index Investment Department at CCB Principal Asset Management. Mr. Ye previously worked for China International Capital Co., Ltd (CICC) as market risk management analyst and quantitative investment manager, and mainly worked on quantitative investment and risk models research. He joined CCB Principal Asset Management in 2011 and presently manages 9 funds, namely CCB Principal CSI S-Cap 500 Enhanced Index Fund, CCB Principal CSI 1000 Enhanced Index Fund, CCB Principal CSI Industrials & Manufacturing Enhanced Index Fund, CCB Principal Quantitative Multi-Factors Fund, CCB Principal CCTV 50 Index Structured Fund, CCB Principal MinFeng Fund, CCB Principal Quantization Youxiang Fund, CCB Principal XinRong Fund and CCB Principal XinLi Fund respectively. These funds have a significant historical performance, particularly the excess return of CCB Principal CSI500 Fund ranked no.1 in peer group from 2015 to 2016. Mr. Chung Weilun – Portfolio Manager With over 20 years of investment experience, Mr. Chung Weilun possesses a deep understanding of global macroeconomic and credit markets, particularly in the areas of Chinese corporate USD bonds, Dim Sum bonds, Chinese bonds, and emerging market bonds. Mr. Chung is also experienced in interest rate futures, swaps, To Be Announces, and other derivatives or alternative investments. He excels at conducting in-depth analyses of corporate fundamentals, integrating market conditions for asset allocation, and achieving sustained and stable growth in investment returns.

	Master Prospectus dated 3 July 2023, First Supplemental Master Prospectus dated 5 September 2023, and Second Supplemental Master Prospectus dated 28 July 2025 ("Prospectus 1")	Combined Supplemental Master Prospectus dated 24 December 2025 ("Prospectus 2")
Section / Page	Description	Description
		With extensive investment management experience across Mainland China, Taiwan, and Hong Kong, Mr. Chung has a broader investment perspective and market insight. The clients he has served include not only overseas banks and insurance companies but also leading domestic financial institutions. Mr. Chung holds a master's degree from National Sun Yat-sen University in Taiwan. *Note: For more information, updated information and/or change in advisory arrangement (if any), please refer to our website at www.principal.com.my.*

Principal Asset Management Berhad
199401018399 (304078-K)

Enquiries:

Customer Care Centre
(603)7723 7260

Chat with us via WhatsApp
(6016)299 9792

Email
myservice@principal.com

Website
www.principal.com.my